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ZNR UUUUU ZZH
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FM AMEMBASSY KYIV
TO RUEHC/SECSTATE WASHDC 8496
RUEHPNH/NVC PORTSMOUTH 0033
INFO RUCNCIS/CIS COLLECTIVE
RUEHZG/NATO EU COLLECTIVE
RUEHFT/AMCONSUL FRANKFURT 0534

UNCLAS SECTION 01 OF 04 KYIV 001687

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TAGS: [CVIS](#) [KFRD](#) [CPAS](#) [CMGT](#) [ASEC](#) [UP](#)
SUBJECT: FRAUD SUMMARY-KYIV, UKRAINE

REF: (A) STATE 57623; (B) KYIV 572; (C) KYIV 466; (D) KYIV 1271; (E)
KYIV 846

11. (SBU) The following is post's semi-annual fraud summary for the period March 1, 2009, through August 30, 2009.

12. (SBU) Country Conditions: As reported in the previous fraud summary cable (ref B), Ukraine is experiencing a severe recession, with a 14 percent expected decline in annual GDP for 2009, increasing unemployment, and a weakened and unstable currency. In addition, the political situation remains unstable in the lead up to presidential elections, scheduled for January 2010. These factors are reinforcing already high levels of fraud in Ukraine. Post earlier reported on the impact of the economic crisis on visa applications in Ukraine (ref C).

13. (SBU) NIV Fraud: During this period, post completed a B1/B2 validation study for visas issued between June 01, 2007 and May 31, 12008. During this time, post issued 21,331 B1/B2 visas. The validation study found a 4 percent overall overstay rate, virtually all of which were unauthorized overstays. These results reveal an increase in the number of applicants who did not return to Ukraine, compared to a 2.7 overall overstay rate and 1.8 percent illegal overstay rate based on a validation study of visas issued between December 1 2006 and May 312007. However, the increase was within the 3.8 percent margin of error.

From March 2009 through August 2009, NIV officers referred 566 cases to the Fraud Prevention Unit (FPU) for investigation. Fraud was confirmed in 107 cases, and 69 cases are still pending investigation results or officer review. Fraud was not confirmed in 390 cases. Many of these cases were refused 214b because derogatory information was uncovered during the course of the FPU investigation. The average time for completing investigations on NIV cases remained under two weeks.

NIV adjudicating officers generally do not consider documents submitted by applicants due to widespread document fraud. As a result, officers did not consistently use the Suspicious Documents function, and checked the box only 49 times during the reporting period. Consular will make it a priority for NIV officers to use the function in appropriate cases, particularly cases referred to FPU.

B1/B2 Fraud:

Post continues to encounter fraud in the form of fake employment, relationships, and invitations; as well as groups used as a cover to mask unqualified applicants.

During the reporting period, post experienced fraud connected to local athletic organizations. For example, FPU interviewed a group

of kickboxing fighters purportedly going to compete in a martial arts tournament in Orlando, Florida. The group was organized by the president of the Ukrainian Kickboxing Federation, who held a valid B1/B2 visa.

In the course of the investigation, FPU established that a number of applicants were not bona fide athletes and were included in the group by the president of the federation in order to get U.S. visas.

Further open source research on the president revealed his alleged ties to organized crime and prior arrests on murder and extortion charges, which he failed to indicate on his DS-156. When re-interviewed by the Consular Officer, the president admitted the arrests, but claimed he was innocent and was never convicted.

Post has identified a rapidly growing number of mala fide applicants claiming employment with local travel agencies. FPU research revealed connections between many local travel agents and a network of visa fixers. Over the past few months, FPU has investigated numerous cases connected with travel agencies involving misrepresentation of employment, social ties, and purpose of travel.

Applicants often presented passports with unused UK or Canadian visas and some Schengen travel history. Many were coached by the travel agency before the interview to pose as either employees of the travel agency or as friends of employees of the agency who had been previously issued U.S. visas. The agency then arranged or encouraged fake letters of employment and statements showing non-existent bank account balances. In some cases, they also vouched for the applicant's employment when contacted by the Consular Section.

One recent case involved a female applicant who originally presented herself as a legal advisor traveling to New York City for a weeklong

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tour with a friend who works for the American Travel Group (ATG). The ATG employee already had a U.S. visa. ATG is an international business with offices located in Kyiv and Brooklyn, New York. The agency is owned and run by an American citizen couple of Ukrainian origin.

During the investigation FPU discovered that the subject had never worked as a legal adviser and was, in fact, unemployed. As the interview progressed, the applicant admitted that she was travelling to the U.S. alone and was coached by ATG to pose as a companion of one of the ATG managers. When FPU contacted ATG directly, the employee in question stated that the applicant was her friend and they were planning to travel together. During a subsequent FPU interview, the ATG manager confessed that she was not friends with subject and was not planning to travel with her. The manager's visa was revoked. Subsequent text searches connect to ATG with several other travelers who were later found to have misrepresented their employment.

J1:

During the summer work and travel season, post experienced fraud in the form of fake job offers and fake student credentials, as well several cases in which seemingly bona fide applicants were supplied with fraudulent or non-existent job offers by their agencies. (Ref D) Post maintained a rigorous anti-fraud posture during the summer work and travel season, increasing scrutiny of local agencies as a source of bogus documentation and job offers.

H1B:

During the reporting period, post encountered a number of H1B applicants who misrepresented their qualifications. In one recent case, the applicant posed as the deputy chief of logistics for Ukrainian company, with plans to work as the director of a childcare center in Brooklyn. An FPU call to the applicant's employer revealed that he was merely a dispatcher and had exaggerated his title and responsibilities. During the interview, the applicant admitted that he had no prior experience with any of the responsibilities outlined in the position description for his future job, and that he was hoping to learn these skills on the job. The applicant also admitted that the petitioner was his mother, who

traveled to United States on a tourist visa several years ago and was now an American citizen. Post sent the petition back to USCIS with a recommendation for revocation.

14. (SBU) IV Fraud: From March 2009 through August 2009, IV officers referred 48 cases to FPU. Fraud was confirmed in six cases and not confirmed in six other cases. Thirty-six cases were still pending FPU investigation, officer review, additional documents, or information from the GOU or other agencies..

Post continues to see fraudulent CR1 and CR2 cases, which are often connected to prior fraudulent DV cases.

In one recent CR-1 case, the Consular Officer suspected that the applicant entered into marriage with an American citizen solely for immigration benefits, and referred the case to FPU for investigation. FPU established that the applicant, who claimed to be employed as a cook since 2004, had been previously refused U.S. visas three times. In 2005, she claimed to be a doctor and wanted to visit her son, who won a Diversity Visa and immigrated to the U.S. the applicant did not list a son in her DS-230 or I-130 petition. Further FPU investigation revealed that the applicant's ex-spouse received a DV-2 in 2005 as a pop-up spouse, and that her petitioner was in fact still married to his real spouse in the United States.

Interestingly, a CCD text search conducted against this applicant's purported son (as indicated in her 2005 NIV application) revealed that from 2004 through 2007, nine different individuals applied for U.S. visas claiming a close family relationship to the same "son" or his spouse. Out of the nine applicants, eight were female, and three of them claimed to be the "son's" mother. All of the applicants were from Ivano-Frankivsk and Chernivtsi regions (high fraud areas). Five of these applicants were issued B1/B2 non-immigrant visas, all five traveled to the United States, and none complied with the terms of their visas. FPU believes that the agency which handled the DV entry for the "son" in 2005 retained his information (i.e. U.S. address, phone number, etc.) and then sold it as part of fraudulent NIV packages to other applicants.

Post forwarded the case to USCIS for possible revocation and the IV applicant was found ineligible under INA 212(a)(6)(C)(I). FPU shared its findings with Diplomatic Security and DHS in conjunction with

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their ongoing investigation of Diversity Visa fraud in Ukraine.

15. (SBU) DV Fraud: The Diversity Visa program continues to be exploited by individuals, "travel" agencies, and organized criminal elements in Ukraine. Due to logistical constraints in Kyiv, Ukrainian DV applicants have been processed at American Embassy Warsaw for several years. FPU Warsaw reviews suspect cases and may forward them to FPU Kyiv for further investigation. When suspect applicants are detected remotely, post alerts Warsaw, and in cases where the applicant appears connected to an ongoing DS investigation or is of special interest, ARSO-I may request that the subject be sent to Kyiv for an additional interview.

Post continues to see a significant percentage of Ukrainian DV winners marrying (or divorcing and then remarrying a different spouse) immediately upon notification of their winning entry. This pattern is consistent with the established fraud scheme whereby a third party pays an agency to be added onto a winning applicant's package. In cases referred to post for investigation, comprehensive relationship interviews have been very successful in identifying this fraud and obtaining confessions.

Diplomatic Security Service (DSS) has an ongoing investigation involving more than 3,000 suspected fraudulently-obtained Diversity Visas to Ukrainian applicants over the last eight years, and FPU Kyiv continues to assist this investigation. To date, post has conducted dozens of DV fraud interviews and identified numerous fraud rings located both in Ukraine and the U.S. DSS agents in the U.S., working with DHS, ICE, Federal Task Forces, and local police, have identified several key figures in these rings and obtained an understanding of how the criminal networks function. These interviews continue to demonstrate that Ukrainian DV fraud is a

highly organized and lucrative criminal enterprise. Last year, Warsaw FPU, Kyiv FPU and ARSO-I Kyiv identified a new trend involving Belarusian DV winners marrying Ukrainian and Russian nationals. In many cases, these individuals were utilizing U.S. points of contact and addresses previously associated with Ukrainian DV agencies.

¶6. (SBU) ACS and U.S. Passport Fraud: Post experienced no change in trends with respect to ACS and U.S. passport fraud. ACS staff regularly communicate with NIV and FPU officers, and share information when they encounter cases with ties to potential NIV and IV fraud, as well as cases in which American citizens report being defrauded by Ukrainian citizens (often marriage scams).

ACS staff recently discovered and investigated a potential passport fraud case in which a Ukrainian citizen appeared at the consular section to file a CRBA and passport application for her child, along with the purported American citizen father of the child. ACS staff noticed that the parents were not married, and the significantly older father was in fact married to another woman in the United States. The mother of the child had two prior NIV refusals. In 2005, she attempted to visit her mother in Chicago, who was married to a person with the same name as the purported father of her child, raising suspicion that the purported father is actually the husband of her mother. In addition, an FPU interview with the subjects revealed numerous inconsistencies in their story. ACS requested the alleged father to provide a DNA test, and the case is pending the outcome of this test.

¶7. (SBU) Adoption fraud: No change.

¶8. (SBU) Use of DNA testing: There was no change in trends concerning the use of DNA testing at post. The IV Unit requested DNA tests in approximately three cases during this reporting period. In each case, the testing confirmed the relationship in question.

The ACS Unit requested approximately five DNA tests during this reporting period. In each case, the testing confirmed the relationship in question, or post is still awaiting test results.

¶9. (SBU) Asylum and other DHS benefit fraud: No change in trends.

¶10. (SBU) Alien smuggling, trafficking, organized crime, and terrorist travel: No change in trends.

¶11. (SBU) DS criminal fraud investigations: The ARSO-I, FPU, and the consular section as a whole maintain a strong working relationship. The ARSO-I provides information from law enforcement databases and other sources which are invaluable in detecting fraud. The DSS investigation into Ukrainian DV fraud is progressing rapidly. A network for information exchange has been established between ARSO-I Kyiv and DSS agents in headquarters, field offices,

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and task forces. Kyiv continues to provide DSS analysts with suspect applicants, U.S. addresses, and U.S. points of contact as they are discovered at post. In return, DSS agents have shared Reports of Investigations confirming suspected fraud, identifying visa fraud facilitators, and outlining larger fraud schemes.

¶12. (SBU) Host country passport, identity documents, and civil registry: No change.

¶13. (SBU) Cooperation with host government authorities: No change in trends.

¶14. (SBU) Areas of particular concern: FPU Kyiv enjoys excellent cooperation in fraud matters from many other embassies in Ukraine. In April, FPU organized a regional fraud prevention seminar featuring presentations from the Office of Fraud Prevention Programs (FPP), the Visa Office (VO), consular officers and staff from American embassies in the region, and consular officers and staff from a variety of foreign missions in Kyiv. The seminar was designed to update participants on fraud trends in the region and the tools to combat them, as well as promote cooperation and information sharing between missions. (Ref E)

During this reporting period, FPU Kyiv conducted public meetings and published advertisements in newspapers throughout the country to support fraud prevention and educate the public about consular issues and legal employment in the United States. Consular officers and FPU staff conducted fraud prevention outreach trips in four cities in Ukraine, which included press conferences and public meetings to discuss visa fraud and legal employment in the United States. A similar public outreach campaign is planned for September and October of this year.

¶15. (SBU) Staffing and training: Post has a part-time FPM who spends half of his time conducting NIV interviews. CA/EX approved an FS-03 FPM position and has paneled an officer for this position, to begin in November 2010. Post currently has three FSN investigators, two FSN clerks, and one temporary FSN clerk, with one temporary FSN clerk position vacant.

Pettit